

House File 2414

S-5122

1 Amend House File 2414, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting clause
4 and inserting:

5 <Section 1. Section 321.1, subsection 8, Code 2016,
6 is amended by adding the following new paragraphs:

7 NEW PARAGRAPH. *j.* A transportation network
8 company driver, as defined in section 321N.1, is not
9 a chauffeur.

10 NEW PARAGRAPH. *k.* A person operating a taxicab
11 having a seating capacity of less than seven passengers
12 and not operating on a regular route or between
13 specified points is not a chauffeur.

14 Sec. 2. Section 321.40, Code 2016, is amended by
15 adding the following new subsection:

16 NEW SUBSECTION. 6A. *a.* The department or the
17 county treasurer shall refuse to renew the registration
18 of a vehicle registered to an applicant if the
19 department or the county treasurer knows that the
20 applicant has not paid a civil penalty imposed on the
21 applicant pursuant to section 321N.3, subsection 3.
22 An applicant may contest this action by requesting a
23 contested case proceeding from the department. The
24 department shall notify the county treasurers through
25 the distributed teleprocessing network of persons who
26 have not paid such civil penalties.

27 *b.* The county treasurer of the county of an
28 applicant's residence and in which the applicant's
29 vehicle is registered, in cooperation with the
30 department, may collect a civil penalty imposed on the
31 applicant pursuant to section 321N.3, subsection 3,
32 when the applicant applies for renewal of a vehicle
33 registration. The applicant may remit full payment
34 of the civil penalty, along with a processing fee
35 of five dollars, to the county treasurer at the

1 time of registration renewal. Upon full payment
2 of the civil penalty, the processing fee, and the
3 vehicle registration fee, the county treasurer shall
4 issue the registration to the applicant. A county
5 treasurer collecting a civil penalty on behalf of
6 the department pursuant to this subsection shall
7 update the vehicle registration records through the
8 distributed teleprocessing network on a daily basis for
9 all applicants who have paid civil penalties pursuant
10 to this subsection. A county treasurer shall forward
11 all funds collected on behalf of the department to the
12 department.

13 Sec. 3. Section 321.236, subsection 7, Code 2016,
14 is amended to read as follows:

15 7. Licensing and regulating the operation of
16 vehicles offered to the public for hire and used
17 principally in intracity operation, except to the
18 extent such licensure and regulation conflicts with
19 section 321.241, section 321N.11, section 325A.6, or
20 any other provision of the Code.

21 Sec. 4. NEW SECTION. **321.241 Regulation of**
22 **taxicabs by local authorities — limits.**

23 1. A local authority shall not enact, enforce,
24 or maintain any ordinance, regulation, or rule that
25 imposes a requirement on a person operating a taxicab
26 having a seating capacity of less than seven passengers
27 and not operating on a regular route or between
28 specified points that is more restrictive than any of
29 the following:

30 a. Requiring the person to have a driver's license
31 valid for the operation of the motor vehicle used as
32 a taxicab that is not an instruction permit, special
33 instruction permit, or temporary restricted license.

34 b. Prohibiting the person from operating the
35 taxicab if any of the following apply:

1 (1) The person is restricted to operating motor
2 vehicles equipped with an ignition interlock device.

3 (2) The person's driving privileges have been
4 suspended, revoked, barred, canceled, denied, or
5 disqualified in the prior three-year period.

6 (3) The person has been convicted of more than
7 three moving violations in the prior three-year period.

8 (4) The person has been convicted of violating
9 section 321.218, 321.277, or 321J.21, or section
10 321A.32, subsection 1, in the prior three-year period.

11 (5) The person has been convicted in the prior
12 seven-year period of a felony, of violating section
13 321J.2 or 321J.2A, or of any crime involving resisting
14 law enforcement, dishonesty, injury to another person,
15 damage to the property of another person, or operating
16 a vehicle in a manner that endangers another person.

17 (6) The person is registered on the national sex
18 offender registry.

19 2. A local authority shall not enact, enforce,
20 or maintain any ordinance, regulation, or rule
21 that requires a corporation, partnership, sole
22 proprietorship, or other entity that sells or offers
23 for sale transportation by taxicabs having a seating
24 capacity of less than seven passengers and not
25 operating on a regular route or between specified
26 points to maintain a physical place of business in
27 the local authority's jurisdiction as a condition
28 of operating such taxicabs in the local authority's
29 jurisdiction.

30 Sec. 5. Section 321.446, subsection 4, paragraph c,
31 Code 2016, is amended to read as follows:

32 c. If a child under fourteen years of age, or a
33 child fourteen years of age or older who is unable
34 to fasten a seatbelt due to a temporary or permanent
35 disability, is being transported in a taxicab or in a

1 personal vehicle operated by a transportation network
2 company driver, as defined in section 321N.1, in a
3 manner that is not in compliance with subsection 1 or
4 2, the parent, legal guardian, or other responsible
5 adult traveling with the child shall be served with a
6 citation for a violation of [this section](#) in lieu of
7 the taxicab operator or transportation network company
8 driver. Otherwise, if a passenger being transported
9 in the taxicab or in a personal vehicle operated by
10 a transportation network company driver is fourteen
11 years of age or older, the citation shall be served
12 on the passenger in lieu of the taxicab operator or
13 transportation network company driver.

14 Sec. 6. NEW SECTION. 321N.1 Definitions.

15 As used in this chapter, unless the context
16 otherwise requires:

17 1. "*Department*" means the state department of
18 transportation.

19 2. "*Digital network*" means an online-enabled
20 application, internet site, or system offered or
21 utilized by a transportation network company that
22 enables transportation network company riders to
23 prearrange rides with transportation network company
24 drivers.

25 3. "*Personal vehicle*" means a noncommercial motor
26 vehicle that is used by a transportation network
27 company driver and is owned, leased, or otherwise
28 authorized for use by the transportation network
29 company driver. "*Personal vehicle*" does not include a
30 taxicab, limousine, or other vehicle for hire.

31 4. "*Prearranged ride*" means the provision of
32 transportation by a transportation network company
33 driver to a transportation network company rider.
34 A prearranged ride begins when a driver accepts a
35 ride request from a rider through a digital network

1 controlled by a transportation network company,
2 continues while the driver transports the requesting
3 rider, and ends when the last requesting rider departs
4 from the driver's personal vehicle. A prearranged
5 ride does not include transportation provided using a
6 taxicab, limousine, or other vehicle for hire, or a
7 shared expense carpool or vanpool arrangement.

8 5. "*Transportation network company*" or "*company*"
9 means a corporation, partnership, sole proprietorship,
10 or other entity that operates in this state and
11 uses a digital network to connect transportation
12 network company riders to transportation network
13 company drivers who provide prearranged rides. A
14 transportation network company is not deemed to
15 control, direct, or manage a transportation network
16 company driver that connects to its digital network,
17 or the driver's personal vehicle, except as agreed to
18 by the company and the driver pursuant to a written
19 contract.

20 6. "*Transportation network company driver*" or
21 "*driver*" means an individual who does all of the
22 following:

23 a. Receives connections to potential transportation
24 network company riders and other related services
25 from a transportation network company in exchange for
26 payment of a fee to the transportation network company.

27 b. Uses a personal vehicle to offer or provide
28 prearranged rides to transportation network company
29 riders upon connection through a digital network
30 controlled by a transportation network company in
31 return for compensation or payment of a fee.

32 7. "*Transportation network company rider*" or "*rider*"
33 means an individual or group of individuals who use
34 a transportation network company's digital network to
35 connect with a transportation network company driver to

1 request a prearranged ride for the individual or group
2 of individuals, and who receive the prearranged ride in
3 the driver's personal vehicle between locations chosen
4 by the individual or group of individuals.

5 Sec. 7. NEW SECTION. 321N.2 Permit required —
6 examination of records — sanctions.

7 1. A transportation network company shall not
8 operate or conduct business in this state without a
9 permit issued pursuant to this section.

10 2. a. Upon the filing of an application by a
11 transportation network company with the department and
12 a determination by the department that the company is
13 in compliance with the provisions of this chapter, the
14 department shall issue a permit to the company. An
15 application filed pursuant to this section shall be in
16 writing and shall contain all of the following:

17 (1) The full legal name and tax identification
18 number of the applicant.

19 (2) The address of the applicant's principal place
20 of business.

21 (3) A statement agreeing to comply with all
22 applicable requirements of this chapter signed by the
23 applicant.

24 (4) Proof of compliance with the financial
25 responsibility requirements of section 321N.4,
26 submitted in a manner prescribed by the department.

27 (5) Proof that the applicant has established a
28 zero tolerance policy for the use of drugs and alcohol
29 as provided in section 321N.3, submitted in a manner
30 prescribed by the department.

31 (6) Proof that the applicant requires personal
32 vehicles to comply with applicable motor vehicle
33 equipment requirements as provided in section 321N.3,
34 submitted in a manner prescribed by the department.

35 (7) Proof that the applicant has adopted and is

1 enforcing nondiscrimination and accessibility policies,
2 submitted in a manner prescribed by the department.

3 (8) Proof that the applicant has established
4 record retention guidelines, submitted in a manner
5 prescribed by the department, that comply with all of
6 the following:

7 (a) A record of a prearranged ride shall be
8 retained for at least six years after the date the
9 prearranged ride was provided, unless the company is
10 notified that the record is material to a judicial
11 proceeding, in which case the record shall be retained
12 for at least two years after final disposition of the
13 judicial proceeding.

14 (b) A record of a transportation network company
15 driver shall be retained for at least six years after
16 the date on which the driver's activation on the
17 company's digital network ended, unless the company
18 is notified that the record is material to a judicial
19 proceeding, in which case the record shall be retained
20 for at least two years after final disposition of the
21 judicial proceeding.

22 b. The permit application shall be accompanied by a
23 fee of five thousand dollars. All fees received by the
24 department for permits issued pursuant to this section
25 shall be paid monthly to the treasurer of state and
26 deposited in the road use tax fund.

27 3. A permit issued pursuant to this section shall
28 be valid for one year after the date of issuance.

29 4. The department may deny issuance of a permit if
30 the department determines, and evidence demonstrates,
31 that the applicant is not in compliance or is unable to
32 comply with the provisions of this chapter.

33 5. The department may examine the records of a
34 transportation network company for the purpose of
35 enforcing this chapter. The examination may include

1 a random sample of the company's records related to
2 transportation network company drivers and prearranged
3 rides. The examination shall take place at the
4 department's motor vehicle division building unless
5 another location is agreed to by the department and
6 the company. Such examinations shall not occur more
7 than twice per year unless additional examinations are
8 necessary to investigate a complaint. Records obtained
9 by the department pursuant to this subsection are not
10 public records or otherwise subject to disclosure
11 under chapter 22, and shall be kept confidential by the
12 department except to the extent such records may be
13 required to be disclosed in a departmental or judicial
14 proceeding.

15 6. The department may suspend the permit of a
16 transportation network company for a violation of this
17 chapter or a rule adopted under this chapter until the
18 company demonstrates to the department that the company
19 is in compliance with the applicable requirements. The
20 department may revoke the permit of a transportation
21 network company for continued noncompliance with this
22 chapter or a rule adopted under this chapter.

23 7. A transportation network company whose
24 application for a permit has been denied, or whose
25 permit has been suspended or revoked, shall have
26 all rights afforded to the company under chapter 17A
27 and rules adopted by the department to contest the
28 department's decision.

29 8. The department may adopt rules pursuant to
30 chapter 17A to administer this section.

31 Sec. 8. NEW SECTION. 321N.3 Exclusions — driver
32 requirements.

33 1. A transportation network company, a
34 transportation network company driver, or a personal
35 vehicle used to provide a prearranged ride is not a

1 motor carrier as defined in section 325A.1, private
2 carrier as defined in section 325A.1, charter carrier
3 as defined in section 325A.12, or common carrier.

4 2. Prior to permitting an individual to act
5 as a transportation network company driver on a
6 transportation network company's digital network, the
7 company shall do all of the following:

8 a. Require the individual to submit an application
9 to the company with the individual's name, address,
10 and age, and with copies of the individual's driver's
11 license, the registration for the personal vehicle the
12 individual will use to provide prearranged rides, proof
13 of financial liability coverage, as defined in section
14 321.1, subsection 24B, covering the individual's use of
15 the personal vehicle, proof of financial responsibility
16 covering the individual in the types and amounts
17 required by section 321N.4, and any other information
18 required by the company.

19 b. Conduct, or instruct a third party to conduct,
20 a local and national criminal background check on the
21 individual and a search of the national sex offender
22 registry database for the individual.

23 c. Obtain and review a driving history research
24 report on the individual.

25 d. Obtain a disclosure form signed by the
26 individual notifying the individual of all of the
27 following:

28 (1) If a lien exists against a personal vehicle
29 the individual intends to use while acting as a
30 transportation network company driver, the individual
31 is required to notify the lienholder within the
32 seven-day period prior to using the vehicle for such
33 purposes that the individual intends to use the vehicle
34 for such purposes.

35 (2) If the individual is not the owner of the

1 personal vehicle the individual intends to use while
2 acting as a transportation network company driver,
3 the individual is required to notify the owner of the
4 vehicle within the seven-day period prior to using the
5 vehicle for such purposes that the individual intends
6 to use the vehicle for such purposes and that the
7 owner's automobile insurance policy, depending on the
8 policy's terms, may not provide any coverage while
9 the individual is logged on to the company's digital
10 network and is available to receive requests for a
11 prearranged ride, or while the individual is engaged in
12 a prearranged ride.

13 (3) Failure to notify a lienholder or an owner
14 pursuant to this paragraph "d" shall result in the
15 imposition of a civil penalty as provided in subsection
16 3.

17 3. If an individual fails to notify a lienholder
18 or an owner pursuant to subsection 2, the department
19 shall assess a civil penalty against the individual in
20 the amount of two hundred fifty dollars. All moneys
21 collected by the department pursuant to this subsection
22 shall be paid monthly to the treasurer of state and
23 deposited in the road use tax fund.

24 4. A transportation network company shall not
25 knowingly allow an individual to act as a driver on
26 the company's digital network if any of the following
27 apply:

28 a. The individual does not have a driver's license
29 valid for the operation of the personal vehicle.
30 A driver's license valid for the operation of the
31 personal vehicle shall not include an instruction
32 permit, special instruction permit, or temporary
33 restricted license.

34 b. The individual is restricted to operating motor
35 vehicles equipped with an ignition interlock device.

1 *c.* The individual's driving privileges have been
2 suspended, revoked, barred, canceled, denied, or
3 disqualified in the prior three-year period.

4 *d.* The individual has been convicted of more than
5 three moving violations in the prior three-year period.

6 *e.* The individual has been convicted of violating
7 section 321.218, 321.277, or 321J.21, or section
8 321A.32, subsection 1, in the prior three-year period.

9 *f.* The individual has been convicted in the prior
10 seven-year period of a felony, of violating section
11 321J.2 or 321J.2A, or of any crime involving resisting
12 law enforcement, dishonesty, injury to another person,
13 damage to the property of another person, or operating
14 a vehicle in a manner that endangers another person.

15 *g.* The individual is registered on the national sex
16 offender registry.

17 *h.* The individual is not at least nineteen years of
18 age.

19 *i.* The individual is unable to provide any
20 information required by this section.

21 5. A transportation network company shall adopt and
22 enforce a zero tolerance policy prohibiting the use of
23 drugs or alcohol by a transportation network company
24 driver while the driver is providing a prearranged ride
25 or is logged on to the company's digital network and
26 available to receive requests for transportation from
27 potential riders. The policy shall include provisions
28 providing for the investigation of alleged violations
29 of the policy and the suspension of drivers under
30 investigation.

31 6. A transportation network company shall require
32 that a personal vehicle used to provide prearranged
33 rides shall comply with all applicable motor vehicle
34 equipment requirements.

35 Sec. 9. NEW SECTION. **321N.4 Financial**

1 responsibility.

2 1. A transportation network company driver, or a
3 transportation network company on the driver's behalf,
4 shall maintain primary automobile insurance that does
5 all of the following:

6 a. Recognizes that the driver is a transportation
7 network company driver or that the driver otherwise
8 uses a motor vehicle to transport passengers for
9 compensation.

10 b. Covers the driver while the driver is logged on
11 to the transportation network company's digital network
12 and while the driver is engaged in a prearranged ride.

13 c. Covers the driver in the amounts set forth in
14 subsections 2 and 3.

15 2. a. While a participating transportation network
16 company driver is logged on to a transportation network
17 company's digital network and is available to receive
18 requests for a prearranged ride, but is not engaged
19 in a prearranged ride, primary automobile insurance
20 maintained pursuant to paragraph "c" shall cover the
21 driver in the amount of at least fifty thousand dollars
22 because of bodily injury to or death of one person in
23 any one accident, the amount of at least one hundred
24 thousand dollars because of bodily injury to or death
25 of two or more persons in any one accident, and the
26 amount of at least twenty-five thousand dollars because
27 of injury to or destruction of property of others in
28 any one accident.

29 b. The requirements of paragraph "a" shall be in
30 addition to the automobile insurance requirements set
31 forth in chapter 516A or any other provision of law.

32 c. The requirements of paragraph "a" may be
33 satisfied by any of the following:

34 (1) Insurance maintained by the transportation
35 network company driver.

1 (2) Insurance maintained by the transportation
2 network company.

3 (3) A combination of subparagraphs (1) and (2).

4 3. a. While a transportation network company
5 driver is engaged in a prearranged ride, primary
6 automobile insurance maintained pursuant to paragraph
7 "c" shall cover the driver in the amount of at least
8 one million dollars because of bodily injury to
9 or death of one or more persons and injury to or
10 destruction of property of others in any one accident.

11 b. The requirements of paragraph "a" shall be in
12 addition to the automobile insurance requirements set
13 forth in chapter 516A or any other provision of law.

14 c. The requirements of paragraph "a" may be
15 satisfied by any of the following:

16 (1) Insurance maintained by the transportation
17 network company driver.

18 (2) Insurance maintained by the transportation
19 network company.

20 (3) A combination of subparagraphs (1) and (2).

21 4. If insurance maintained by a transportation
22 network company driver under this chapter lapses or
23 does not provide coverage in the amounts required
24 by subsections 2 and 3, insurance maintained by a
25 transportation network company shall provide coverage
26 in the amounts required by subsections 2 and 3
27 beginning with the first dollar of a claim, and the
28 company shall have a duty to defend the claim.

29 5. Coverage under an automobile insurance policy
30 maintained by a transportation network company under
31 this chapter shall not be dependent on the insurer
32 of a driver's personal vehicle first denying a claim,
33 nor shall a personal automobile insurance policy be
34 required to first deny a claim.

35 6. Insurance maintained under this chapter shall be

1 provided by an insurer governed by chapter 515 or 518,
2 or by a surplus lines insurer governed by chapter 515I.

3 A surplus lines insurer that issues a policy pursuant
4 to this section shall be considered an insurance
5 carrier duly authorized to transact business in this
6 state for the purposes of chapter 321A.

7 7. Insurance maintained under this chapter shall
8 be deemed to satisfy the financial responsibility
9 requirements for a motor vehicle under chapter 321A.

10 8. A transportation network company driver shall
11 carry proof of financial liability coverage, as
12 required by section 321.20B, in the amounts required
13 by subsections 2 and 3, at all times during which the
14 driver uses a motor vehicle in connection with the
15 use of a transportation network company's digital
16 network. In the event of an accident, the driver
17 shall provide proof of financial liability coverage to
18 any directly interested party or insurer, and to any
19 investigating police officer, upon request and in a
20 format provided for under section 321.20B. Upon such a
21 request, the driver shall also disclose to any directly
22 interested party or insurer, and to any investigating
23 police officer, whether the driver was logged on
24 to a company's digital network or was providing a
25 prearranged ride at the time of the accident.

26 Sec. 10. NEW SECTION. 321N.5 Disclosure
27 requirements.

28 A transportation network company shall disclose
29 all of the following information to a transportation
30 network company driver in writing before the driver may
31 accept a request from a rider for a prearranged ride on
32 the company's digital network:

33 1. The types, amounts, terms, and limits of
34 automobile insurance provided by the company to the
35 driver while the driver uses a personal vehicle in

1 connection with the use of the company's digital
2 network.

3 2. That the driver's own automobile insurance
4 policy, depending on the policy's terms, may not
5 provide any coverage while the driver is logged on
6 to the company's digital network and is available to
7 receive requests for a prearranged ride, or while the
8 driver is engaged in a prearranged ride.

9 Sec. 11. NEW SECTION. 321N.6 Insurers.

10 1. a. Notwithstanding any other provision of law
11 to the contrary, an insurer that writes automobile
12 insurance within this state may exclude any and all
13 coverage afforded to an insured person under a policy
14 issued to the owner or operator of a personal vehicle
15 for any injury or loss that occurs while the insured
16 is logged on to a transportation network company's
17 digital network or while the insured is providing a
18 prearranged ride. This right to exclude coverage
19 may apply to any type of coverage provided for in
20 the insured's policy, including but not limited to
21 liability coverage for bodily injury and property
22 damage, personal injury protection coverage, uninsured
23 and underinsured motorist coverage, medical payments
24 coverage, comprehensive physical damage coverage, and
25 collision physical damage coverage.

26 b. This chapter shall not be construed to require
27 an insurer to provide coverage to an individual while
28 the individual is logged on to a company's digital
29 network, is engaged in a prearranged ride, or is
30 otherwise transporting another individual or group of
31 individuals in a vehicle for compensation.

32 c. This chapter shall not be construed to preclude
33 an insurer from providing coverage for a transportation
34 network company driver's personal vehicle, if the
35 insurer chooses to do so by contract or endorsement.

1 2. a. An insurer that excludes coverage pursuant
2 to subsection 1 shall not have a duty to defend or
3 indemnify a claim expressly excluded from a policy
4 issued by the insurer. This chapter shall not be
5 deemed to invalidate or limit an exclusion contained
6 in a policy, including a policy in use or approved for
7 use in this state prior to the effective date of this
8 Act, that excludes coverage for vehicles used to carry
9 individuals or property for compensation or vehicles
10 available for hire by the public.

11 b. An insurer that defends or indemnifies a claim
12 against an insured transportation network company
13 driver that is excluded under the terms of the driver's
14 policy shall have a right of action for contribution
15 or indemnity against an insurer providing automobile
16 insurance to the driver under this chapter during the
17 period in which the loss occurred.

18 3. In a claims coverage investigation, any involved
19 transportation network company and any insurer
20 providing coverage pursuant to this chapter shall
21 cooperate to facilitate the exchange of relevant
22 information with one another, and with any insurer
23 of the transportation network company driver, where
24 applicable, including but not limited to the precise
25 times during which the driver logged on and off of the
26 company's digital network in the twelve-hour period
27 immediately preceding and in the twelve-hour period
28 immediately following the accident, and shall disclose
29 to one another a clear description of any relevant
30 automobile insurance provided pursuant to this chapter,
31 including any applicable limits and exclusions.

32 Sec. 12. NEW SECTION. 321N.7 Identification of
33 drivers and vehicles.

34 Before a transportation network company rider
35 enters the personal vehicle of a transportation network

1 company driver, the transportation network company
2 shall disclose all of the following information to the
3 rider on the company's digital network:

4 1. A picture that prominently displays the face of
5 the driver.

6 2. The make, model, and registration plate number
7 of the personal vehicle used by the driver.

8 Sec. 13. NEW SECTION. 321N.8 **Electronic receipt.**

9 Within a reasonable period of time following
10 the completion of a prearranged ride provided
11 to a transportation network company rider, the
12 transportation network company shall transmit an
13 electronic receipt to the rider containing all of the
14 following information:

15 1. The origin and destination of the trip.

16 2. The total time and distance of the trip.

17 3. An itemized account of the total fare paid by
18 the rider, if any.

19 Sec. 14. NEW SECTION. 321N.9 **Street hails**
20 **prohibited.**

21 A transportation network company driver shall not
22 solicit or accept riders hailing the driver from the
23 street.

24 Sec. 15. NEW SECTION. 321N.10 **Disclosure of**
25 **personal information.**

26 1. A transportation network company shall not
27 disclose a transportation network company rider's
28 personal information to a third party unless the rider
29 consents to the disclosure, the disclosure is required
30 by law, the disclosure is required to protect or defend
31 the terms of use of the company's services, or the
32 disclosure is required to investigate a violation
33 of the terms of use. For purposes of this section,
34 "*personal information*" includes but is not limited to
35 the rider's name, home address, telephone number, and

1 payment information.

2 2. Notwithstanding subsection 1, a transportation
3 network company may disclose a rider's name and
4 telephone number to the driver providing a prearranged
5 ride to the rider in order to facilitate the
6 identification of the rider by the driver, or to
7 facilitate communication between the rider and the
8 driver.

9 Sec. 16. NEW SECTION. 321N.11 Regulation by
10 political subdivisions prohibited — exception.

11 1. *a.* Except as otherwise provided in this
12 section, transportation network companies,
13 transportation network company drivers, and personal
14 vehicles, in the course of their operation pursuant
15 to this chapter, shall be exclusively controlled,
16 supervised, and regulated by the department in
17 accordance with this chapter.

18 *b.* Except as otherwise provided in this section,
19 no provision of this chapter shall be construed to
20 authorize a political subdivision of the state to
21 enact an ordinance regulating transportation network
22 companies, transportation network company drivers, or
23 personal vehicles operated pursuant to this chapter.

24 2. No provision of this chapter shall be construed
25 to limit the rights and powers of a commercial service
26 airport, as defined in 49 U.S.C. §47102, to do any of
27 the following:

28 *a.* Regulate the operation of motor vehicles on
29 the airport's premises in accordance with rules,
30 regulations, and policies adopted for the orderly use
31 of the airport.

32 *b.* Establish, alter, and collect rates, fees,
33 rental payments, or other charges for the use of the
34 airport's services and facilities.

35 Sec. 17. Section 325A.1, subsections 6, 7, and 13,

1 Code 2016, are amended to read as follows:

2 6. "*Motor carrier*" means a person defined in
3 subsection 8, 9, or 10, but does not include a
4 transportation network company or a transportation
5 network company driver, as defined in section 321N.1.

6 7. "*Motor carrier certificate*" means a certificate
7 issued by the department to any person transporting
8 passengers on any highway of this state for hire,
9 other than a transportation network company or a
10 transportation network company driver, as defined in
11 section 321N.1. This certificate is transferable.

12 13. "*Private carrier*" means a person who provides
13 transportation of property or passengers by motor
14 vehicle, is not a for-hire motor carrier or a
15 transportation network company or a transportation
16 network company driver, as defined in section 321N.1,
17 or who transports commodities of which the person is
18 the owner, lessee, or bailee and the transportation
19 is a furtherance of the person's primary business or
20 occupation.

21 Sec. 18. Section 325A.2, subsection 2, Code 2016,
22 is amended to read as follows:

23 2. A local authority, as defined in [section 321.1](#),
24 shall not impose any regulations, including special
25 registration or inspection requirements, upon the
26 operation of motor carriers that are more restrictive
27 than any of the provisions of [this chapter](#), or section
28 321.449 or [321.450](#). [This subsection](#) does not, however,
29 prohibit a local authority from exercising the home
30 rule power of the local authority to impose additional
31 or more restrictive regulations or requirements upon
32 the operation of taxicabs or limousines engaged in
33 nonfixed route transportation for hire, except to the
34 extent such regulations or requirements conflict with
35 section 321.241, section 325A.6, or any other provision

1 of the Code.

2 Sec. 19. Section 325A.6, Code 2016, is amended to
3 read as follows:

4 **325A.6 Insurance.**

5 1. All Except as provided in subsection 2, all
6 motor carriers subject to [this chapter](#) shall have
7 minimum insurance coverage which meets the limits
8 established in the federal motor carrier safety
9 regulations in 49 C.F.R. pt. 387.

10 2. All motor vehicles providing taxicab services,
11 having a seating capacity of less than seven
12 passengers, and not operating on a regular route
13 or between specified points shall maintain primary
14 automobile insurance in the amount of at least one
15 million dollars because of bodily injury to or death
16 of one or more persons and injury to or destruction of
17 property of others in any one accident. A political
18 subdivision of the state shall not enact an ordinance
19 requiring insurance coverage for such vehicles in
20 an amount different than the amount required by this
21 subsection.

22 Sec. 20. Section 325A.11, Code 2016, is amended to
23 read as follows:

24 **325A.11 Passenger transportation.**

25 In addition to the requirements of [subchapter 1](#),
26 motor carriers of passengers and charter carriers shall
27 comply with the requirements of [this subchapter](#). A
28 transportation network company or a transportation
29 network company driver, as defined in section 321N.1,
30 need not comply with the requirements of subchapter 1
31 or this subchapter.

32 Sec. 21. Section 325A.12, subsection 3, Code 2016,
33 is amended by adding the following new paragraph:

34 NEW PARAGRAPH. e. A transportation network company
35 or a transportation network company driver, as defined

1 in section 321N.1.

2 Sec. 22. Section 327D.1, Code 2016, is amended to
3 read as follows:

4 **327D.1 Applicability of chapter.**

5 This chapter applies to intrastate transportation
6 by for-hire common carriers of persons and property.
7 However, **this chapter** does not apply to regular route
8 motor carriers of passengers or charter carriers, as
9 defined under **section 325A.12**, or a transportation
10 network company or a transportation network company
11 driver, as defined in section 321N.1.

12 Sec. 23. LOCAL ORDINANCES VOID — VALIDITY OF
13 PROCEEDINGS. On January 1, 2017, all local ordinances,
14 regulations, and rules not consistent with this Act are
15 void. However, this Act shall not affect the validity
16 of any proceeding brought or punishment imposed prior
17 to January 1, 2017, for a violation of such a local
18 ordinance, regulation, or rule.

19 Sec. 24. EFFECTIVE DATE. This Act takes effect
20 January 1, 2017.

21 Sec. 25. APPLICABILITY OF INSURANCE PROVISIONS.
22 The section of this Act enacting section 321N.4 shall
23 apply on and after the date of approval of the form
24 filings necessary to implement section 321N.4 by the
25 commissioner of insurance as required under 191 IAC
26 20.4.>

27 2. Title page, line 2, after <companies> by
28 inserting <and taxicabs, providing penalties>

29 3. Title page, line 2, after <including> by
30 inserting <effective date and>

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